

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Date Assigned:

Reviewers Name:

The **Nebraska Real Property Appraiser Board (NRPAB)** would like you to complete a Standard Three Compliance Report in accordance with the **Uniform Standards of Professional Appraisal Practice (USPAP)** on the following appraisal report:

Legal Description/ or Address:

_____This report will be used by the **NRPAB** to determine qualifications for Licensing, Residential Certification, or General Certification under the laws in the State of Nebraska; or

_____This report will be used by the **NRPAB** to determine if there are substantial errors or inadequacies in the appraisal report that should result in further investigation by the Board.

The **NRPAB** would like to have your report completed for the _____meeting of the Board. If you cannot complete the report by this date, please call the Board Office immediately.

In accordance with **USPAP**, if you cannot complete this review report assignment competently and in an unbiased manner, please return the report immediately to the Board office. The appraisal report will be reassigned to a different reviewer.

Review Instructions

If you have any questions about this appraisal review report order, please call the Nebraska Real Property Appraiser Board Office at 402-471-9015 and Director Policky will assist you.

1. Read through the appraisal report at least once in its entirety before you start your review report.
2. Fill out the report form leaving the report conclusions on page one until you are finished with the entire report.
3. Complete all pages. If a question is not applicable enter N/A on the form. If a question does not need further explanation simply answer yes or no as applicable. The form has been designed in an expandable format allowing you to enter all comments that you feel are necessary for the **NRPAB** to completely understand your concerns. **Please enter your responses in italics or use a different font.**
4. Sign the Certification and provide any appropriate limiting conditions.
5. Complete page one.
6. Return your review report to the Nebraska Real Property Appraiser Board Office along with the billing statement for your services.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Board File # or Code #

Review Appraiser Information:

Appraiser:

Company:

Address:

City/State:

Nebraska

Certification #:

Please check all that are applicable:

Summary of Scope
of this Review:

- | | | |
|--------------------------|--------------------------|-------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Desk Review |
| <input type="checkbox"/> | <input type="checkbox"/> | Field Review |
| <input type="checkbox"/> | <input type="checkbox"/> | Appraisal Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Workfile |
| <input type="checkbox"/> | <input type="checkbox"/> | Subject Inspection |
| <input type="checkbox"/> | <input type="checkbox"/> | Comparable Inspection |
| <input type="checkbox"/> | <input type="checkbox"/> | Data Verification |
| <input type="checkbox"/> | <input type="checkbox"/> | Primary Sources _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | Secondary Sources _____ |

Review Conclusions:

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | The Report under review meets the minimum requirements of USPAP and NRPAB statutes and rules. |
| <input type="checkbox"/> | <input type="checkbox"/> | The Report under review does not meet the minimum requirements of USPAP and NRPAB statutes and rules. |

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Submitted Appraisal Information

Appraisal Report Information/Subject Property:

Legal Description:

Property Address:

Town/State:

Property Type:

Land/Site (Acres/SF):

Improvements:

Interest Appraised:

Signature Date/Report:

Effective Date of Value:

Date of Inspection:

Appraisal Development Method Used: Complete Limited

Report Type Used: Self Contained Summary Restricted

Value Conclusion Stated in the Report:

Personal Property included in the Appraisal Report:

General Comments:

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

1. State the identity of the client and any intended users by name or type:
2. State the intended use of the appraisal review:
3. State the purpose of the appraisal review:
4. Identify the work under review including the ownership interest:
5. State the date of the work under review:
6. State the effective date of the opinion or conclusion of the work under review:
7. State the name of then appraiser who completed the work under review unless withheld by the client:
8. State the effective date of the appraisal review:
9. State any extraordinary assumptions and hypothetical conditions; and that their use may have affected the assignment results:
10. State the Scope of Work used to develop the appraisal review:
11. State the opinion and conclusion about the work under review; include reasons for any disagreement?
12. Does the Scope of Work include the reviewer's development of an opinion of value?

If so state all information required by SR 3-5(i) (i)(ii)(iii). This also includes review opinions and consulting conclusions.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

USPAP
General Rules

Ethics Rule - To promote and preserve the public trust inherent in professional appraisal practice, an appraiser must observe the highest standards of professional ethics. Is there any indication in the report that the appraiser has violated any of the Provisions of the Ethics Rule? If so, detail the violations.

Has the appraiser disclosed to the client, and in the subsequent report certification:

- any current or perspective interest in the subject property or parties involved; and
- any services regarding the subject property performed by the appraiser in the three year period immediately receding acceptance of the assignment, as an appraiser or in any other capacity

Disclosing the fact that the appraiser has previously appraised the property is permitted except in the case where an appraiser has agreed with the client to keep the mere occurrence of a prior assignment confidential. If an appraiser has agreed with a client not to disclose that he or she has appraised a property, the appraiser must decline all subsequent assignments that fall within the three year period.

Competency Rule – An appraiser must (1) be competent to perform the assignment; (2) acquire the necessary competency to perform the assignment; or (3) decline or withdraw from the assignment. Is there any indication in the report that the appraiser has violated any of the provisions of the Competency Rule?

Scope of Work Rule – For each appraisal, appraisal review and appraisal consulting assignment, an appraiser must:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results;
3. disclose the scope of work in the report.

Is there any indication in the report that the appraiser has violated any of the provisions of the Scope of Work Rule?

Jurisdictional Exception Rule – If a part of the USPAP has been voided based on the Jurisdictional Exception Rule, has the appraiser clearly and accurately

Comment: When compliance with USPAP is required by federal law or regulation, no part of USPAP can be violated by a law or regulation of a state or local jurisdiction.

1. identified the law or regulation that precludes compliance with USPAP?
2. complied with that law or regulation?
3. clearly and conspicuously disclosed in the report the part of USPAP that is voided by the law or regulation?
4. cited in the report the law or regulation requiring this exception to USPAP compliance?

Comment: The JURISDICTIONAL EXCEPTION RULE provides a saving or severability clause intended to preserve the balance of USPAP if compliance with one or more of its parts is precluded by the law or regulation of a jurisdiction. When an appraiser properly follows this Rule in disregarding a part of USPAP, there is no violation of USPAP.

Law includes constitutions, legislative and court-made law, and administrative rules and ordinances.

Regulations include rules or orders having legal force, issued by an administrative agency. Instructions from a client or attorney do not establish a jurisdictional exception.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

STANDARD 1: REAL PROPERTY APPRAISAL, DEVELOPMENT

In developing a real property appraisal, an appraiser must identify the problem to be solved and the scope of work necessary to solve the problem, and correctly complete research and analysis necessary to produce a credible appraisal.

Based on the Scope of Work disclosed in the appraisal report and the information in the workfile (if applicable), answer the following questions based on Standard 1- Real Property Appraisal, Development:

Standard 1 / Development

Standards Rule 1-1

- a. Has the appraiser employed those recognized methods and techniques necessary to produce a credible appraisal? **SR 1-1 (a) This invokes both judgment and performance issues i.e. select and employ those methods;**
- b. Has the appraiser committed any substantial error of omission or commission that significantly affects the appraisal? **SR 1-1 (b) This entails diligent gathering of factual information given the scope of work detailed in 1-2 (f).**
- c. Has the appraiser rendered appraisal services in a careless or negligent manner that in any way affects the credibility of the results? **SR 1-1 (c) Negligence implies carelessness but not incompetence.**

Side note to reviewer: To properly identify the scope of work the appraiser must gather and analyze information. Problem identification involves the following 6 items:

- 1. the intended users
- 2. the intended use
- 3. type and definition of value
- 4. the effective date
- 5. the relevant characteristics of the property
- 6. any assignment conditions

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Standard 1 / Development

Standards Rule 1-2

In developing a real property appraisal, an appraiser **must**:

SR 1-2 (a)

Has the appraiser identified the client and any other intended users?

Side note to reviewer: In order to properly define the problem under study and to understand his or her responsibilities in an assignment, an appraiser must identify the client and, to the extent practical, other intended users as part of the process of identifying the client's intended use of the appraisal, appraisal review or appraisal consulting report. This could be accomplished by communication with the client prior to accepting the assignment. Client is defined as the party who engages the appraiser.

SR 1-2 (b)

Has the appraiser identified the intended use of the appraiser's opinions and conclusion?

Side note to reviewer: This is necessary for the appraiser and the client to decide the appropriate scope of work to be completed and the level of information to be provided in communicating the appraisal. An appraiser needs to be aware, to the fullest degree practical, of the client's intended use of the report so as to reasonably ensure that the appraisal development process and report address the client's stated needs.

SR 1-2 (c)

Has the appraiser identified the type and definition of value and, if the value opinion to be developed is market value, ascertained whether the value is to be the most probable price:

- (i) in terms of cash; or
- (ii) in terms of financial arrangements equivalent to cash; or
- (iii) in other precisely defined terms; and
- (iv) if the opinion of value is to be based on non-market financing or financing with unusual conditions or incentive, the terms of such financing must be clearly identified and the appraiser's opinion of their contributions to or negative influence on value must be developed by analysis of relevant market data;

Comment: When developing an opinion of market value, the appraiser must also develop an opinion of reasonable exposure time linked to the value opinion. Has the appraiser done this?

SR 1-2 (d)

Has the appraiser identified the effective date of the appraiser's opinions and conclusions?

Two dates are essential to an appraisal report. The date of the report and the effective date. The date of the report indicates the perspective from which the appraiser is examining the market. The effective date could be retrospective, prospective or current.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

SR 1-2 (e)

Has the appraiser properly identified the characteristics of the property that are relevant to the purpose and intended use of the appraisal including:

Side note to reviewer: There is a direct relationship between the type and definition of value, intended use, relevant characteristics and the impact this relationship has on the appraiser's scope of work decision. In short the type and definition and intended use drive relevance in regard to property characteristics and all three of these are essential components of the scope of work decision.

- (i) its location and physical, legal, and economic attributes;
- (ii) the real property interest to be valued;
- (iii) any personal property, trade fixtures, or intangible items that are not real property but are included in the appraisal;
- (iv) any known easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature; and
- (v) whether the subject property is a fractional interest, physical segment, or partial holding?

SR 1-2 (f)

Has the appraiser identified any extraordinary assumptions in the assignment?

Comment: An extraordinary assumption may be used in an assignment only if:

- it is required to properly develop credible opinions and conclusions;
- the appraiser has a reasonable basis for the extraordinary assumption;
- use of the extraordinary assumption results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

Side note to reviewer: An extraordinary assumption is a special class of assumptions. It is identified in USPAP as an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. What causes an assumption to be "extraordinary" is its relation to a specific assignment and its importance to the assignment results. For example, if an appraiser believes a particular property use is in compliance with the conditions in a use permit and analyzes the property on that premise, but does not have a competent opinion that such use is, in fact, in compliance, the appraiser is employing an extraordinary assumption.

Comment: An extraordinary assumption may be used in an assignment only if:

- it is required to properly develop credible opinions and conclusions;
- the appraiser has a reasonable basis for the extraordinary assumption;
- use of the extraordinary assumption results in credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

SR 1-2 (g)

Has the appraiser identified any hypothetical conditions necessary in the assignment?

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Comment: A hypothetical condition may be used in an assignment only if:

- use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- use of the hypothetical condition results in a credible analysis; and
- the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

Side note to reviewer: Hypothetical conditions are not the same as assumptions for they assume what the appraiser knows does not exist. A hypothetical condition *is contrary to what exists but is supposed for the purpose of analysis.*

For example: If an appraiser knows a particular property use is not in compliance with the conditions in a use permit, but the client's objective is to find out what the property would be worth if it were modified to bring in into compliance with the use permit, and the appraiser analyzes the property on that premise, the appraiser is employing a hypothetical condition [i.e. that the property has been modified so that it is in compliance]. With this opinion, the client can better evaluate whether or not to invest funds to accomplish the modifications.

SR 1-2(h)

Has the appraiser identified the scope of work necessary to complete the assignment?

Side note to reviewer: The scope of work is acceptable when it is consistent with:

1. the expectations of the participants in the market for the same or similar appraisal services; and
2. what the appraisers peers actions would be in performing the same or similar assignment in compliance with USPAP.

The appraiser must not allow assignment conditions to limit the extent of research or analysis to such a degree that the resulting opinions are not credible in the context of the intended use of the appraisal. Every assignment is subject to conditions that limit in one way or another, the gathering, verification, and analysis of factual information and these assignment conditions are impacted primarily by the intended use of the assignment results. Assumptions are often used as replacements for factual information. Appraisers have obligations associated with extraordinary assumptions and hypothetical conditions, which when followed, ensure that the resulting opinions and conclusions are credible and not misleading. Appraisers rely on all sorts of information in the development of their opinions. Some of the information is known to be true, some of it is uncertain and accepted as being true and is known to be true, some of it is uncertain and accepted as being true, and other information is known to be not true but useful and necessary in certain types of assignments.

Standards Rule 1-3

SR 1-3 (a)

Has the appraiser identified and analyzed the effect on use and value of existing land use regulations, reasonably probable modifications of such land use regulations, economic supply and demand, the physical adaptability of the real estate, and market area trends?

Comment: An appraiser must avoid making an unsupported assumption or premise about market area trends, effective age, and remaining economic life.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

SR 1-3 (b)

Has the appraiser developed an opinion of the highest and best use of the real estate?

Comment: An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusion(s).

Simply checking a box highest and best use [current use] is not sufficient in a self contained report or a summary report. Zoning is another area where appraisals often are deficient. Appraisers do not always analyze the actual zoning and if it is legal, legal non conforming or illegal.

Standards Rule 1-4

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

SR 1-4(a)

If the sales comparison approach is applicable in the assignment, has the appraiser analyzed comparable sales data as are available to indicate a value conclusion?

SR 1-4(b)

If the cost approach is applicable, has the appraiser:

- (i) developed an opinion of site value by an appropriate appraisal method or technique?
- (ii) analyzed such comparable cost data as are available to estimate the cost new of the improvements (if any)?
- (iii) analyzed such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements including accrued depreciation?

SR 1-4(c)

If the income approach is applicable, has the appraiser:

- (i) analyzed such comparable rental data as are available and/or the potential earnings capacity of the property to estimate the gross income potential of the property?
- (ii) analyzed such comparable operating expense data as are available to estimate the operating expenses of the property?
- (iii) analyzed such comparable data as are available to estimate rates of capitalization and/or rates of discount?
- (iv) based projections of future rent and/or income potential and expenses on reasonably clear and appropriate evidence?

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Comment: In developing income and expense statements and cash flow projections, an appraiser must weigh historical information and trends, current supply and demand factors affecting such trends, and anticipated events such as competition from developments under construction.

SR 1-4(d)

If the appraiser is developing an opinion of the value of the leased fee estate or a leasehold estate, has the appraiser analyzed the effect on value, if any, of the terms and conditions of the lease(s)?

SR 1-4(e)

If applicable, has the appraiser analyzed the effect on value, of the assemblage of the various estates or component parts of a property and refrained from valuing the whole solely by adding together the individual values of the various estates or component parts?

Comment: Although the value of the whole may be equal to the sum of the separate estates or parts, it also may be greater than or less than the sum of such estates or parts. Therefore, the value of the whole must be tested by reference to appropriate data and supported by an appropriate analysis of such data.

A similar procedure must be followed when the value of the whole has been established and the appraiser seeks to value a part. The value of any such part must be tested by reference to appropriate data and supported by an appropriate analysis of such data.

SR 1-4(f)

Has the appraiser analyzed the effect on value, if any, of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect such anticipated improvements as of the effective date of the appraisal?

SR 1-4(g)

Has the appraiser analyzed the effect on value of any personal property, trade fixtures, or intangible items that are not real property but are included in the appraisal?

Comment: When the scope of work includes an appraisal of personal property, trade fixtures or intangible items, competency in personal property appraisal (See STANDARD 7) or business appraisal (See STANDARD 9) is required.

Standards Rule 1-5

SR 1-5(a)

Has the appraiser analyzed all agreements of sale, options, or listings of the subject property current as of the effective date of the appraisal?

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

SR 1-5(b)

Has the appraiser analyzed all sales of the subject property that occurred within the three years prior to the effective date of the appraisal?

Comment: Please refer to the Comments Section of Standards Rules 2-2(a)(viii), and 2-2(b)(viii), and 2-2(c)(viii) for corresponding reporting requirements relating to the availability and relevance of information.

Standards Rule 1-6

SR 1-6(a)

Has the appraiser reconciled the quality and quantity of data available and analyzed within the approaches?

SR 1-6(b)

Has the appraiser reconciled the applicability or suitability of the approaches used to arrive at the value conclusion?

STANDARD 2 - REPORTING

Standards Rule 2-1

SR 2-1(a)

Does the report clearly and accurately set forth the appraisal in a manner that is not misleading?

SR 2-1(b)

Does the report contain sufficient information to enable the intended users of the appraisal to understand the report properly?

SR 2-1(c)

Does the report clearly and accurately disclose all assumptions, any extraordinary assumption, hypothetical condition, or limiting condition that directly affects the appraisal and indicated its impact on value?

Examples of extraordinary assumptions or hypothetical conditions might include items such as the execution of a pending lease agreement, atypical financing, a known but not yet quantified environmental issue, or completion of onsite or offsite improvements.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Standards Rule 2-2

Each written real property appraisal report must be prepared under one of the following three options and prominently state which option is used: Self Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

Comment: When the intended users include parties other than the client, either a Self Contained Appraisal Report or a Summary Appraisal Report must be provided. When the intended users do not include parties other than the client, a Restricted Use appraisal Report may be provided.

The essential difference among these three options is in the content and level of information provided. The appropriate reporting option and the level of information necessary in the report are dependent on the intended use and the intended users.

An appraiser must use care when characterizing the type of report and level of information communicated upon completion of an assignment. An appraiser may use any other label in addition to, but not in place of, the label set forth in this Standard for the type of report provided.

The report content and level of information requirements set forth in this Standard are minimums for each type of report. An appraiser must supplement a report form, when necessary, to ensure that any intended user of the appraisal is not misled and that the report complies with the applicable content requirements set forth in this Standard Rule.

See Advisory Opinion 11, Content of the Appraisal Report Options of Standards Rule 2-2, Advisory Opinion 12, Use of the Appraisal Report Options Standards Rule 2-2.

A party receiving a copy of a Self Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report in order to satisfy disclosure requirements does not become an intended user of the appraisal unless the appraiser identifies such party as an intended user as part of the assignment.

Does the report prominently state which report option the appraiser has used?

2-2 (a, b or c whichever option you are using)

2-2 (b) [for the purpose of this review 2-2(b) is outlined as in most cases a Summary Report is being reviewed. If you are reviewing a Self Contained or Restricted Use Report you will need to change to the appropriate section of this Standard Rule]

- (i) Does the report state the identity of the client and any intended users by name or type?

Comment: An appraiser must use care when identifying the client to ensure a clear understanding and to avoid violations of the Confidentiality section of the ETHICS RULE. In those rare instances where the client wishes to remain anonymous, an appraiser must still document the identity of the client in the workfile but may omit the client's identity in the report.

Intended users of the report might include parties such as lenders, employees of government agencies, partners of a client, and a client's attorney and accountant.

- (ii) Does the report state the intended use?
- (iii) Does the report summarize information sufficient to identify the real estate involved in the appraisal, including the physical and economic property characteristics relevant to the assignment?

Comment: The real estate involved in the appraisal can be specified, for example, by a legal description, address, map reference, copy of a survey or map, property sketch and/or photographs or the like. The information can include a property sketch and photographs in addition to written comments about the legal, physical, and economic attributes of the real estate relevant to the type and definition of value and intended use of the appraisal.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

(iv) Is the real property interest appraised clearly stated?

Comment: The statement of the real property rights being appraised must be substantiated, as needed, by copies or summaries of title descriptions or other documents that set forth any known encumbrances.

(v) Does the report state the type and definition of value and its source?

Comment: Stating the definition of value also requires any comments needed to clearly indicate to intended users how the definition is being applied.

When reporting an opinion of market value, state whether the opinion of value is:

- in terms of cash or of financing terms equivalent to cash, or
- based on non-market financing or financing with unusual conditions or incentives.

When an opinion of market value is not in terms of cash or based on financing terms equivalent to cash, summarize the terms of such financing and explain their contributions to or negative influence on value.

(vi) Is the effective date of the appraisal and the date of the report clearly stated?

Comment: The effective date of the appraisal establishes the context for the value opinion, while the date of the report indicates whether the perspective of the appraiser on the market or property as of the effective date of the appraisal was prospective, current, or retrospective.

(vii) Has the appraiser provided sufficient information based on the report option to clearly and accurately disclose to the client and any intended users of the appraisal the scope of work used to develop the appraisal?

Comment: This requirement is to ensure that the client and intended users whose expected reliance on an appraisal may be affected by the extent of the appraiser's investigation are properly informed and are not misled as to the scope of work. The appraiser has the burden of proof to support the scope of work decision and the level of information included in a report.

Whenever any portion of the work involves significant real property appraisal assistance, the appraiser must summarize the extent of that assistance. The signing appraiser must also state the names of those providing the significant real property appraisal assistance in the certification, in accordance with SR 2-3.

(viii) Does the report provide sufficient information based on the report option used, for the reviewer to understand the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusion. Does the report clearly disclose the exclusion of any of the approaches to value and the reasoning behind the exclusion?

Sufficient information includes the indication that the appraiser complied with the requirements of Standard 1. This is also covered in the Standard 1 portion of this review.

Sufficient information means the rationale for the opinions and conclusions, including reconciliation of the data and approaches, in accordance with Standard Rule 1-6. This is also covered in the Standard 1 (Development) portion of this review.

Does the report properly disclose the results of the analysis of the subject sales, options, and listings in accordance with Standard 1-5? This is also covered in the Standard 1 (Development) portion of this review. **A summary of the results is REQUIRED!**

If such information is irrelevant, a statement acknowledging the existence of the information and citing the lack of relevance is required.

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

- (ix) Does the report state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal; and, when an opinion of highest and best use was developed by the appraiser, is there sufficient information in the report to understand the support and rationale for that opinion?
- (x) Does the report clearly and conspicuously:
 - state all extraordinary assumptions and hypothetical conditions; and
 - state that their use might have affected the assignment results; and
- (xi) Has the appraiser included a signed certification in accordance with Standards Rule 2-3?

Standards Rule 3-5(i) (i)(ii)(iii)?

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

ADDITIONAL COMMENTS – USPAP VIOLATIONS SUMMARIZED

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

Basic Assumptions and Limiting Conditions

The submitted report is subject to the underlying assumptions and limiting conditions qualifying the information it contains as follows:

1. Possession of this review or copy thereof does not carry with it the right of publication.
2. The purpose of the assignment is to review the appropriateness of the conclusions and reasonableness of the value estimate determined within the submitted report.
3. This review is intended solely for the internal use of the Nebraska Real Property Appraiser Board. Neither all nor any part of the contents of this review shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and the reviewer.
4. Unless prior arrangements have been made, the reviewer is not required to give further consultation or testimony, or to be in attendance in court with reference to the property that is the subject of this review.
5. Unless stated otherwise in the review, the analyses, opinions and conclusions in this review are based solely on the data, analyses and conclusions contained in the appraisal report and/or the workfile under review.
6. All analyses, opinions and conclusions expressed by the reviewer are limited by the scope of the review process as defined herein.
7. The conclusions apply only to the work specifically identified and described herein and in the reviewed appraisal report,
8. The reviewer has made no legal survey nor have they commissioned one to be prepared, therefore, reference to a sketch, plat, diagram or previous survey appearing in the report is only for the purpose of assisting the reader to visualize the property.
9. No responsibility is assumed for legal matters existing or pending, nor is opinion rendered as to title, which is assumed to be good.
10. Disclosure of the contents of this review is governed by the Nebraska Real Property Appraiser Board and USPAP.
11. The compensation received for this assignment is in no manner contingent upon the conclusion of the review.
12. Reviewer Competency: The signatory of this review is a fully qualified Certified General appraiser who has been involved in the valuation and/or review of many similar properties. The education and experience in valuing and reviewing similar properties satisfies the Competency Rule of USPAP. The professional qualifications of the person performing this review is on file with the State Board in the State the reviewer holds a credential

2010-2011 Standard 3-Compliance Report
Nebraska Real Property Appraiser Board
For Reports dated January 1, 2010 – December 31, 2011

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The facts and data reported by the reviewer and used in the review process are true and correct.
- The analyses, opinions and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this review, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.
- My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice _____.
- I have _____ or _____ have not made a personal inspection of the subject property of the work under review.
- No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this report.
- I have acquired through study and practice the necessary knowledge and experience to complete this assignment competently.
- The use of the review is subject to the requirements of the Nebraska Real Property Appraiser Board relating to review by its duly authorized representatives.
- As of the date of this report, the reviewer named herein has completed the Continuing Education requirements of the Nebraska Real Property Appraiser Board according to Nebraska law.

Signature

Nebraska License Number

Date of the Report